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SUBJECT: AMBASSADOR BROWNFIELD'S SEPTEMBER 24 CALL ON TRADE
MINISTER PLATA

¶1. (SBU) Summary. Minister of Trade, Industry and Tourism Luis Guillermo Plata on September 24 told the Ambassador that the dramatic turnaround of Colombia remains a process and still requires expanded trade and investment. The Minister applauds USG efforts to expand the bilateral economic relationship through the Total Economic Engagement (TEE) process and stands ready to work closely with us to develop a working agenda. Increased tourism holds a key position in Colombia's development plan due to its positive impact on small business and its multiplier effect. The Minister made a pitch for revision of the U.S. Travel Warning on Colombia given improvements in security. End Summary.

¶2. (SBU) The Ambassador paid an introductory call on Minister Plata on September 24. The Ministry's three Vice Ministers -- Eduardo Munoz (Trade), Oscar Rueda (Tourism) and Sergio Diazgranados (Industry) -- accompanied Plata. The Minister emphasized that Colombia remained mid-way down the path of its dramatic turnaround under President Uribe, which has generated dramatic and steady improvements in GDP growth, foreign direct investment (FDI), employment and security. The country registered 7.5% growth in the first half of 2007, Plata added, a clip that must continue for five-to-ten years to cement the gains. "We are near the tipping point" of making this turnaround complete, he added, emphasizing that passage of the U.S.-Colombia Trade Promotion Agreement (CTPA), continued FDI expansion and tourism growth remains essential to achievement of this goal.

¶3. (SBU) The Ambassador stressed that approval and implementation of the CTPA remains the USG's principle economic priority in Colombia. He added that our robust bilateral economic links extend well beyond the agreement. Building on the recent visits of EEB Assistant Secretary Sullivan and Under Secretary for Economic, Energy and Agricultural Affairs Reuben Jeffery, he suggested that we work together to develop a broad agenda for engagement to complement the CTPA under the TEE umbrella. Plata concurred with the Ambassador's suggestion, and proposed a follow-on meeting after his upcoming trip to Europe in late October to fQut an agenda.QQvedQ key to Colombia's economQQ depended on increasing the value added of Colombia's productive capacity through the development of new products, and not merely increasing production of traditional goods such as coffee, coal, petroleum and bananas. He would like to explore development of a venture capital industry in Colombia, and proposed establishing links between the GOC and Small Business Administration to aid small and medium business development. Munoz added that Colombia remains extremely interested in APEC membership, and the GOC would soon present a proposal for participation in APEC working groups in preparation for the lifting of the moratorium on new members in 2010.

¶4. (SBU) Minister Plata emphasized the important role of tourism in Colombia's development plan, highlighting the doubling of tourists from 500,000 in 2002 to 1 million in ¶2006. Colombia remains on pace to increase tourism to 1.3 million in 2007, with the goal of attracting 4 million visitors by 2010. He noted that Royal Caribbean cruise lines returned to Cartagena this year after a 5 year absence, and that Princess cruise lines has announced plans to begin service in the near future. Tourism, in Plata's view, has a significant multiplier effect and positive social impact as monies flow to small and medium-sized businesses. The time is right, he continued, for a stepped-up promotional campaign which had been on the shelf during the years of heightened violence in Colombia. The U.S. provides 28% of visitors to Colombia, a figure that could substantially increase according to Plata if the State Department modified its Travel Warning. Plata contends that the current warning does not accurately reflect improvements on the ground in Colombia, particularly in popular tourist areas such as San Andres, Cartagena, Medellin, Bogota and the Department of Santander. He requested the Ambassador's assistance in seeking a revision of the Travel Warning language.

Brownfield